



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

June 15, 2005

J.B. Poersch, Treasurer  
Democratic Senatorial Campaign Committee  
120 Maryland Avenue, NE  
Washington, DC 20002

**Response Due Date:**  
**July 15, 2005**

Identification Number: C00042366

Reference: 30 Day Post-General Report (10/14/04-11/22/04)

Dear Treasurer:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **An adequate response must be received at the Commission by the response date noted above.** An itemization of the information needed follows:

-Commission Regulations require that a committee disclose the identification of all individuals who contribute in excess of \$200 in a calendar year. (11 CFR §104.3(a)(4)(i)) Identification for an individual is defined as the full name, mailing address, occupation and name of employer. (11 CFR §100.12) Your report discloses contributions from individuals for which the identification is not complete.

You must provide the missing information, or if you are unable to do so, you must demonstrate that "best efforts" have been used to obtain the information. To establish "best efforts," you must provide the Commission with a detailed description of your procedures for requesting the information. Establishing "best efforts" is a three-fold process.

First, your original solicitation must include a clear and conspicuous request for the contributor information and must inform the contributor of the requirements of federal law for the reporting of such information. (11 CFR §104.7(b)(1))

Second, if the information is not provided, you must make one follow-up, stand alone effort to obtain this information, regardless of whether the

contribution(s) was solicited or not. This effort must occur no later than 30 days after receipt of the contribution and may be in the form of a written request or an oral request documented in writing. (11 CFR § 104.7(b)(2))  
The request must:

- clearly ask for the missing information, without soliciting a contribution;
- inform the contributor of the requirements of federal law for the reporting of such information, and
- if the request is written, include a pre-addressed post card or return envelope.

Third, if you receive contributor information after the contribution(s) has been reported, you shall either a) file with your next regularly scheduled report, an amended memo Schedule A listing all the contributions for which additional information was received; or b) file on or before your next regularly scheduled reporting date, amendments to the report(s) originally disclosing the contribution(s). (11 CFR §104.7(b)(4))

Please provide the missing information or a detailed description of your procedures for requesting the information. For more information on demonstrating "best efforts," please refer to the Campaign Guide.

-The identification of each contributor, including an adequate occupation and name of employer for each, must be provided if the person has contributed in excess of \$200 in the aggregate during the calendar year. Please amend Schedule A supporting Line 11(a)(i) for each entry inadequately identified as:

Employer	Occupation
APIC	Executive Director
ADP	Physician
ACP	Businessman
A.B.S.	Electrician
Bases	Social Work
Citistreet	Progressive
C.T.	Manager
CHM	Consultant
Collegiate	Teacher
C.H.C.	Health Care Pro
Department Of Veterans Affairs	Government
EGH	Bel Advocate
I.C.E.	Radiologist
International Commerce Corp.	International M
ISA	Manager

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JCAHO	Executive
JASA	Social Work Administrator
JJ	Marketing
LSSD	Educator
MWSD #51	Counselor
Medical Center	Social Worker
MLISF	Attorney
NCSA ABC	Teacher Consultant
NJ Department of Labor	Civil Servant
NJ Dept. Of Transportation	State Worker
OLX	Executive
OCIF	Investor
Pa House Of Representatives	State Employee
Pennsylvania Department Of State	State Worker
PAL-C	Board Member
PRC	Consultant
Part Time	Engineer
R.I.A.	Legal Editor
Retail	Retail Business
SAVVIS	Marketing
State Of N.J.	State Governmen
State Of Ohio	Government
State of California	State Employee
State fo New Jersey	Civil Servant
State of California	Department of Justice
State of Florida	State Employee
School District	Librarian
Self-Employed	Business Owner
Self-employed	Businessman
Self-Employed	Natural & Cultural
Self-employed	Public Participant
Self Employed	Small Business
Self-Employed	Vamous
Self-employed	Various
Self-Employed	Shopkeeper
U.S. House Of Representatives	Congressional Staff
The Environmental Co. Inc.	Environmental
W.C.C.- U.S.D.	Teacher
UMDNU	Dentist
WCA	Manager
US Department Of Labor/SOL	U.S. Government
US Dept Of Defense	Civil Service
US Public Health Service	Gov't Employee

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-You have received contributions from numerous entities, which appear to be unincorporated proprietorships or partnerships. Generally, these types of contributions are to be attributed to each person based on their percentage of ownership in the firm. Each person who has contributed in excess of \$200 since January 1 should be identified by name, address, occupation, name of employer, amount of contribution, and aggregate total on Schedule A. 11 CFR §110.1(k) Please amend your report by providing the omitted information.

-Schedule A supporting Line 15 of your report discloses a payment(s) from a federal candidate committee(s) for goods and/or services provided by your committee. 11 CFR §100.52(d)(1) states that "...the provision of any goods or services without charge or at a charge which is less than the usual and normal charge for such goods or services is a contribution." Examples of goods and services include equipment, supplies, personnel, membership lists and mailing lists. The term "usual and normal charge" for goods is defined as "...the price of those goods in the market from which they ordinarily would have been purchased at the time of the contribution". The usual and normal charge for services is defined as "...the hourly or piecework charge for the services at a commercially reasonable rate prevailing at the time the services were rendered." 11 CFR §100.52(d)(2)

Please clarify whether your committee assessed the usual and normal charge for the goods and/or services you provided to the federal candidate committee(s) and explain the steps your committee took in determining the amount(s) charged. If your committee provided the goods and/or services at less than the usual and normal charge, the difference between the two is considered to be an in-kind contribution by your committee to the federal candidate committee(s) and is subject to the limits set forth at 2 U.S.C. §441a. (11 CFR §100.52(d)(1))

-Itemized disbursements must include a brief statement or description of why the disbursements were made. Please amend Schedule B of your report to clarify the following description(s): "Cashiering Direct Mail." For further guidance regarding acceptable purposes of disbursements, please refer to 11 CFR §104.3(b)(3).

-Please clarify all expenditures made for "Catering/Facilities," "Printing," "Cons/Prof.Serv. Direct Mail Dev.," "Telemarketing," "Data Entry Direct Mail," "Letter Production/Mailing," "Data Processing Direct Mail," "Fees-Direct Mail Processing," "Postage/Shipping," "Cashiering Direct Mail" and "Data Modeling Direct Mail" on Schedule(s) B. If a portion or all of these

expenditures were made on behalf of specifically identified federal candidates, this amount should be disclosed on Schedules B, E or F supporting Lines 23, 24 or 25 and include the amount, name, address and office sought by each candidate. 11 CFR §§104.3(b) and 106.1

-Schedule E discloses independent expenditures on behalf of a federal candidate(s). Schedule F of this report discloses coordinated expenditures on behalf of the same candidate(s). Under 2 U.S.C. §431(17), an "independent expenditure" is defined as:

... an expenditure by a person expressly advocating the election or defeat of a clearly identified candidate; and that is not made in concert or cooperation with or at the request or suggestion of such candidate, the candidate's authorized committee, or their agents, or a political party committee or its agents.

Further, 11 CFR §109.21 outlines the factors which define a coordinated communication. Please verify that the independent expenditures made by your Committee in support of Erskine Bowles, Ken Salazar, Betty Castor, Daniel Mongairdo and Inez Tenenbaum meet the definition of and were properly categorized as independent expenditures. If necessary, amend your reports to disclose the aforementioned transactions as in-kind contributions (Schedule B supporting Line 23 of the Detailed Summary Page) or coordinated expenditures (Schedule F supporting Line 25 of the Detailed Summary Page).

If the reclassification of these expenditures as in-kind contributions results in excessive contributions, the Commission recommends that you notify the candidate(s) and request a refund of the amount in excess of \$5,000 per election. If the reclassification of these expenditures as coordinated expenditures results in your committee exceeding the limitations under 2 U.S.C. §441a(d), the Commission recommends that you notify the candidate(s) and request a refund of the amount in excess of the 2004 expenditure limitation.

Please inform the Commission of any corrective action immediately in writing and provide a photocopy of your refund request(s) sent to the candidate(s). In addition, any refunds should be disclosed on Schedule A supporting Line 16 of your next report.

-2 U.S.C. §434(b)(6)(B)(iii) requires that the supporting schedule for disclosing independent expenditures be signed by the treasurer. This is to

03/03/04 10:00 AM

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attest to the fact that the expenditures were not made in cooperation, consultation, or concert, with, or at the request or suggestion of, any candidate or any authorized committee or agent of such committee. Please amend your Schedule E accordingly.

-Schedule E of your report indicates that your committee may have failed to file and/or timely file one or more of the required 24 hour notices regarding "last minute" independent expenditures (see attached). A political committee must file a 24 hour report with the Federal Election Commission as specified in 11 CFR §104.4(c), within 24 hours of any independent expenditures of \$1,000 or more with respect to a given election, made between two and twenty days before an election. The notice must be received by the Commission by 11:59 p.m. on the day following the date on which independent expenditures that aggregate \$1,000 or more are publicly distributed or disseminated. These expenditures must then be fully itemized on Schedule E, or as memo entries on Schedule E and reflected on Schedule D if distributed or disseminated prior to payment, of the next report required to be filed by the committee. Although the Commission may take further action concerning this matter, your prompt response will be taken into consideration. 11 CFR §104.3(b)

-Your committee filed 24 hour notices informing the Commission of independent expenditures made in support or opposition of federal candidates with "Adelle Netterville," "Great American Media," "Greer Margolis Mitchell Burns" and "Struble Eichenbaum" as the payee(s). However, the dates of public dissemination disclosed on these notices do not appear to correlate with the entries on Schedule E, supporting Line 24 for the reporting period. If your committee has filed 24 hour notices supporting independent expenditures not reflected on your reports, you must file Schedule E during the appropriate reporting period to disclose these payments. Please amend your report to clarify this discrepancy and provide further information concerning these notices.

-Your committee filed 24 hour notices informing the Commission of independent expenditures made in support or opposition of federal candidates with "Struble Eichenbaum" and "Great American Media" as the payee(s). However, the amounts and dates of public dissemination disclosed on these notices do not appear to correlate with the entries on Schedule E, supporting Line 24 for the reporting period. If your committee has filed 24 hour notices supporting independent expenditures not reflected on your reports, you must file Schedule E during the appropriate reporting period to disclose these payments. Please amend your report to clarify this discrepancy and provide further information concerning these notices.

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-The limitation on making coordinated party expenditures on behalf of Senate candidates in Colorado, Florida, Kentucky and North Carolina for the 2004 general election is \$253,559, \$977,149, \$233,133 and \$471,598 respectively. Your reports, however, disclose coordinated party expenditures made on behalf of Ken Salazar, Betty Castor, Daniel Mongairdo and Erskine Bowles totaling \$496,775.55, \$1,910,676.12, \$461,020 and \$524,263.77 respectively, which appear to exceed the limitations under 2 U.S.C. §441a(d).

If any apparently excessive expenditure in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information.

If you have made an excessive coordinated party expenditure, you must notify the candidate and request a refund of the amount in excess of the limitation.

Please inform the Commission of your corrective action immediately in writing and provide a photocopy of the refund request sent to the candidate. In addition, any refunds should be disclosed on Schedule A supporting Line 16 of the report covering the period during which they are received.

Although the Commission may take further legal action concerning the excessive coordinated party expenditures, prompt action in obtaining a refund will be taken into consideration.

-Schedule D supporting Line 10 of your report discloses -\$56,152.74 as the "Amount Incurred This Period" for the debt owed to Protocol. However, Schedule D does not disclose a "Payment This Period" to this vendor. Please clarify the nature of the apparent credit to this vendor.

Unlike previous election cycles, you will not receive an additional notice from the Commission on this matter. Adequate responses received on or before this date will be taken into consideration in determining whether audit action will be initiated. Requests for extensions of time in which to respond will not be considered. Failure to provide an adequate response by this date may result in an audit of the committee. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action.



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24 Hour Notices Filed Late

Name of Payee	Date	Amount	Purpose	Candidate
Adelle Netterville	10/14/2004	\$2,500.00	Media Production	David Vitter
Great American Media	10/14/2004	\$492,702.00	Media Buy	Ken Salazar
Great American Media	10/14/2004	\$558,278.00	Media Buy	David Vitter
Greer Margolis Mitchell Burns	10/14/2004	\$56,391.91	Media Production	Brad Carson
Great American Media	10/20/2004	\$482,528.45	Media Buy	Ken Salazar
Great American Media	10/20/2004	\$417,289.36	Media Buy	Inez Tenenbaum
Great American Media	10/20/2004	\$587,016.47	Media Buy	Chris John
Great American Media	10/20/2004	\$1,538,683.52	Media Buy	Betty Castor
Struble Eichenbaum	10/20/2004	\$4,673.35	Media Production	Inez Tenenbaum
Struble Eichenbaum	10/20/2004	\$3,354.09	Media Production	Inez Tenenbaum
Struble Eichenbaum	10/20/2004	\$2,458.69	Media Production	Inez Tenenbaum
Struble Eichenbaum	10/20/2004	\$5,281.20	Media Production	Inez Tenenbaum
Struble Eichenbaum	10/20/2004	\$5,852.14	Media Production	Inez Tenenbaum

Missing 24 Hour Notices

Name of Payee	Date	Amount	Purpose	Candidate
Great American Media	10/21/2004	\$250,000.00	Media Buy	Brad Carson
Great American Media	10/25/2004	\$50,000.00	Media Buy	Tony Knowles
Winning Connections	10/25/2004	\$58,044.00	Postage/Shipping	Tom Daschle
Winning Connections	10/25/2004	\$129,483.00	Printing	Tom Daschle

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